

U.S. auction of AWS-3 airwaves reaches \$10 bln reserve price

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The U.S. airwaves auction of so-called AWS-3 frequencies on Tuesday breached its reserve price of \$10.1 billion, according to the Federal Communications Commission, less than a week after bidding began.

Bidding went on to reach a total of \$14.2 billion, though some bidders had applied for various discounts that require a careful calculation to conclude that the reserve price is met.

The auction is the largest opportunity for wireless carriers to get access to new airwaves since 2008 and although the bidding is anonymous, the largest U.S. wireless carrier [Verizon Communications Inc](#), No. 2 [AT&T](#) Inc, No. 4 T-Mobile US Inc and satellite provider Dish Network Corp were expected to be the biggest bidders.

As is common, the licenses for airwaves around large urban areas such as New York City, Los Angeles, Chicago and Washington fetched the biggest bids.

The amount already bid in the AWS-3 auction is lifting some financial pressure off the FCC for its next, much more complex sale of airwaves known as the "incentive" auction and scheduled for 2016.

Congress had mandated the FCC to raise enough money in its auctions to fund a new \$7 billion first-responder network FirstNet, contribute to the U.S. Treasury and compensate the broadcasters who vacate airwaves so they can be sold to wireless carriers.

The AWS-3 auction will also help determine value of Dish's spectrum holdings as it is selling access to mid-band frequencies that are similar to the ones controlled by Dish.

The FCC has said the AWS-3 auction will pause for a Thanksgiving holiday break on Nov. 26, resuming on Dec. 1.

AWS-3 is the second of FCC's series of auctions. The sale of H-Block airwaves, completed in March and swept by Dish, raised \$1.56 billion.

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